

Quebec's CAQ government launches class-war assault

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4 May 2023

Quebec Premier François Legault said that he was eager to start “spending his political capital,” shortly after the re-election of his “Quebec First” Coalition Avenir Québec (CAQ) government last fall. This avowal was a very deliberate echoing of his political mentor, the former Parti Québécois Premier Lucien Bouchard, who frequently used the same phrase in the latter half of the 1990s as he was overseeing the most brutal social spending cuts in the province’s history.

In recent weeks, Legault has made good on his pledge to intensify the assault on working people. He and his ministers have made a flurry of reactionary policy decisions and announcements targeting broad sections of the working class. These include:

- * provocative contract offers to Quebec’s 600,000 public sector employees, which would represent a major cut in real wages and reduce pensions;

- * a budget that starves public education and health care of funds, despite their already dilapidated state;

- * the tabling of legislation to formalize the increased use of child labor;

- * a pledge to change the rules governing the construction industry in the fall to introduce more “flexibility” and increase “productivity” by attacking trade jurisdictions;

- * a welfare “reform,” also promised for the fall, aimed at forcing recipients back into the labor market as a source of cheap labor.

The CAQ government used the tabling of its budget at the end of March to outline its major priorities. Unsurprisingly, this budget catered to the demands of big business for major cuts to social spending and further privatization of public services.

Its flagship measure was an income tax cut that was dressed up as a measure to aid working people contending with the highest inflation in four decades.

Finance Minister Eric Girard, a former senior vice-president of the Quebec-based Banque Nationale, reduced the first two tiers of the Quebec tax table by 1 percent—from 15 to 14 percent and from 20 to 19 percent respectively.

According to an analysis by Quebec’s Institute for Socio-Economic Research and Information (IRIS), it is the wealthy who will benefit the most from the tax cut. A couple earning a total of \$200,000 will get a 0.81 percent tax reduction (\$1,627), while a couple earning \$60,000 will benefit from a 0.43 per cent tax cut (\$256). The tax cut will deprive the Quebec government of approximately \$2 billion per year.

To achieve its goal of returning Quebec to a balanced budget within three years, the CAQ government is ratcheting up austerity, even as it continues to funnel billions annually to paying down Quebec’s provincial debt. The budget provides for an across-the-board “increase” in spending of only 1.2 percent, which is far below an inflation rate that surpassed 8 percent last year and continues to rise at a rate close to 5 percent.

For public health, the government announced an additional \$1.1 billion per year. This is utterly insufficient to meet the needs of a health care system that has been bled dry by decades of cuts at the hand of successive big-business governments at both the federal and provincial levels, and brought to the brink of collapse by the ruling class’ ruinous profit-before-lives response to the COVID-19 pandemic.

Barely \$395 million has been earmarked for the opening of frontline clinics, under conditions where hospital emergency wards are overflowing, more than 600,000 Quebecers still do not have access to a family doctor and tens of thousands are on waiting lists for various medical procedures. No money is earmarked for the massive hiring of nurses and other health care

personnel, although there are personnel shortages throughout the health care network. Indeed, facing burnout and subjected to a punishing regime of forced overtime, large numbers of nurses and other frontline workers are quitting the public system and/or the profession entirely.

A significant portion of the money invested in health is aimed at continuing the privatization of the public system. In early March, the CAQ launched calls for tenders for the construction of two private “mini-hospitals.” A few days before the budget was tabled, Christian Dubé, the former vice-president of Cascades and now Quebec’s Health Minister, used a closed-door meeting at the Chamber of Commerce of Metropolitan Montreal to announce that the new health agency he is setting up (Santé Québec) will be run by “top guns” from the private sector.

Hypocritically declaring that education is its priority, the Legault government has announced \$2.3 billion in new spending over five years. This amounts to an average increase of \$460 million per year or barely 5 percent—a sharp contrast with the crying needs of the education system, both in terms of personnel and infrastructure.

With more than 50 percent of Quebec public school buildings in “poor” or “very poor” condition, experts say that the government needs to spend a minimum of \$1 billion a year for 10 years just to refurbish those schools deemed in “very poor” condition. The budget, however, adds only \$40 million a year to the school building maintenance program.

All other ministries will suffer an overall 1.8 percent decrease in funding—which, when inflation is taken into account, means a real-term cut of 10 percent or more. The CAQ is calling this savage austerity policy, which has a target of eliminating \$1.5 billion in spending from the government’s books annually, “value optimization.”

Public transit agencies, which have been running significant deficits since the eruption of the pandemic, will receive only \$722 million over five years. They are currently facing an estimated shortfall of \$500 million just for 2023, which could grow to \$900 million by 2027. This will make it even harder to provide reliable and affordable public transport—which for working people, especially those with average or below average incomes in the major urban centres of Montreal and

Quebec City, is a necessity.

The budget provides only \$304 million over five years for the construction of 1,500 new affordable housing units, when at least 37,000 are needed across Quebec. In this area as well, the Legault government is pushing its privatization efforts.

Housing Minister France-Élaine Duranceau, an accountant by training who was a vice-president of an international commercial real estate consulting firm prior to her election in 2022, has advocated that the private sector “increase the supply” of social housing. The budget implements this. It increases the government’s guaranteed funding to developers, so as to encourage them to build one-third of the 1,500 new affordable units.

In contrast to the austerity meted out to workers, the CAQ budget increased the already prodigious sums handed out to large corporations and their wealthy shareholders. In 2022, corporate assistance in the form of tax credits, incentives and “special measures” reached a staggering \$8.4 billion.

To disguise its reactionary agenda and deflect rising social opposition, the Legault government is waving the flag of Quebec nationalism and chauvinism. In the name of “national unity” and “social cohesion,” it is constantly attacking immigrants and minorities in order to divide the working class.

This underscores the urgent need to establish the unity of all sections of the working class in Canada—French, English, immigrant and aboriginal—with their class brothers and sisters in the United States and overseas in a common struggle against capitalist austerity and for social equality.



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